United States Court of Appeals

for the Second Circuit

APPELLANT'S BRIEF

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United States Court of Appeals

For the Second Circuit

73 Civ. 4865

HERBERT ROSENTHAL JEWELRY CORPORATION,

Plaintiff-Appellant,

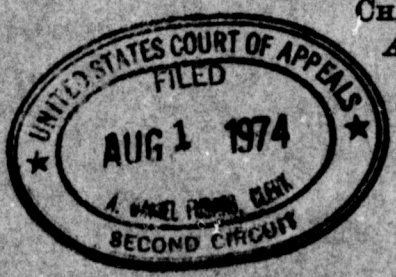
against

HONORA JEWELRY CO., INC., JERRY J. GROSSBARDT and STANLEY SCHECHTER,

Defendants-Appellees.

On Appeal From the United States District Court for the Southern District of New York

APPELLANT'S BRIEF



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Preliminary Statement

Appeal is taken from the Decision of Judge Charles L. Brieant, Jr., and judgment entered thereon dismissing plaintiff's complaint. The decision unreported as yet is included in the appendix at pages (64a through 74a).*

Statement of Issue Presented for Review

The sole question presented for review by this Court is whether defendants' design infringes plaintiff's copyright.

Facts

Plaintiff brought suit below for infringement of its copyright covering the design of its jeweled turtle pin for the second time. In an earlier suit *Herbert Rosenthal*

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* References are to pages in joint appendix.

Jewelry Corp. v. *Grossbardt* (68 Civ. 4154), Judge Metzner granted plaintiff a preliminary injunction against the individual defendants here then operating as a partnership. This Court 428 F. 2d 551 affirmed the order of the District Court. Suit was terminated by the signing of a consent decree June 14, 1971 (17a).

The present action was instituted November 13, 1973 against the individual defendants and the corporation formed by them while the previous suit was pending.

After the joinder of issue, the taking of depositions by both sides and the service of interrogatories by defendants and plaintiff's answers thereto, plaintiff moved for a preliminary injunction and summary judgment against defendants. Defendants opposed the motion contending that the present version of their turtle did not infringe plaintiff's copyright and that plaintiff failed to comply with Section 19 of Title 17 U.S.C. This same defense had been raised in the prior suit and had been overruled by the Lower Court and on appeal. After oral argument Judge Brieant denied plaintiff's motions on the ground of non-infringement and on his own initiative granted summary judgment dismissing plaintiff's complaint. Thereafter plaintiff filed its notice of appeal from the order and judgment entered thereon (76a).

Prior to April 13, 1967, one Peter Lindemann, an outstanding designer of precious jewelry together with the officers of the plaintiff designed a jeweled turtle pin made of 14 kt. gold the back of which was adorned with a cluster of precious gems, including diamonds, rubies, sapphires and emeralds and combinations thereof (p. 2 Exhibit Book).* On December 4, 1967 plaintiff received Copyright Registration No. Gp 56652 from the Copyrigh. Office (p. 1

* Exhibit Book.

E.B.). These copyrighted pins were sold to the leading retail jewelers in the country such as Tiffany, Cartier, etc. Their wholesale selling prices ranged from $200 to $1000 depending upon the gems used (11a).

In the prior suit defendants then operating as a partnership, admitted copying plaintiff's pin. This present suit was started after it came to the plaintiff's attention through an illustration in an Abercrombie & Fitch Christmas catalog (p. 3 E.B.), that defendants were the manufacturers of the illustrated pin. Abercrombie & Fitch although indemnified by defendants herein against any damages it might be subject to by reason of its sale of the alleged copy, elected to discontinue the exhibition of defendants' pin (14a).

Defendants' explanation of their manufacture of the turtle pin Exhibit B (p. 5 E.B.) is contained in the affidavit of Stanley Schechter sworn to April 24th, 1974 (34a). He was the one who gave instructions what to make (40a). According to Schechter, defendants, originally, in 1971 produced a pin in the form of a fly set with a single stone. He requested his Hong Kong supplier to make an owl and a turtle pin to be set with a single stone such as coral. The Hong Kong supplier only made the findings or mountings for which he charged $17. and $20. (Defts'. Ex. J, p. 7 E.B.). Schechter stated that *the owl pin sold well but not the turtle. "So Honora took the same turtle pin, previously set with a single stone, and set it with a cluster of stones instead"* (italics ours). Mr. Schechter then added: "The original turtle pin was supplied by our Hong Kong supplier early in 1971, but the jeweled turtle pin of which the plaintiff complains was not issued prior to March 30, 1972". Defendants further conceded that in their turtle pin, they used the same gems as plaintiff as well as combinations thereof (16a, 43a). An illustration of the use by plaintiff and defendants of such combinations is shown

in Exhibit 1 (p. 2 E.B.). The prices of defendants' pins are considerably less (14a, 16a). Photographs of plaintiff's and defendants' pins the subject of this suit are shown on pages 4 and 5 of the Exhibit Book. The originals will be produced for the inspection of this Court upon the argument of the appeal.

POINT I

The dismssal of the complaint was clearly erroneous.

A. The Court's opinion is contradictory, inconsistent and the findings unsupported by the proof.

The plaintiff's copyright has been the subject of prior litigation. *Herbert Rosenthal Jewelry Corp.* v. *Grossbardt et al.*, 428 F. 2d 551. In that action these same defendants failed to raise the issue of lack of originality. Other issues were relied upon to invalidate the copyright which were rejected by the Lower Court and on appeal. In the present suit, the issue of originality was not raised either. Judge Brieant in his opinion (65a) assumed the validity of the copyright for the purposes of the motion. (summary judgment) This was in keeping with Sect. 209.17 U.S.C. wherein the issuance of the certificate of registration is prima facie evidence of validity. *United Merchants & Manufacturers Inc.* v. *Sarne Co.*, 278 F. Supp. 162 (SDNY); *Pantone Inc.* v. *A. Friedman, Inc.*, 294 F. Supp. 545 (SDNY); *Platt & Murch, Inc.* v. *Republic Graphics, Inc.*, 315 F. 2d 847 (2 Cir. 1963).

The essence of the copyrighted design consists of the cluster of gems on the back of a gold turtle. In considering the similarity of the two turtle pins, the Lower Court entirely on its own and without any refernce to the affidavits submitted by either parties entered into a discussion of the various types of reptiles (69a-70a). The Court

observed that the top shell of a turtle has ten plates on the "top of the turtle's carapace" and that "neither pin conforms precisely to this structure of carapace, but each has ten stones precisely equal to the number of vertebral segments found in nature". From this analysis, Judge Brieant concluded on page 68a, "how else could gems be placed on the back of a gold turtle other than in an oval shape". This finding presupposed that the proof established lack of originality of the plaintiff's design and that defendants had the same right to adorn their pin with a cluster of stones. This conclusion on the part of the lower court is clearly erroneous since it is not supported by any proof in the record.

Based on this conclusion, Judge Brieant then proceeded to enumerate the differences in the construction, width, weight of the turtles and appearance of the feet, neck and tail between the two pins and from this concluded that defendants' pin did not infringe plaintiff's copyright (68a, 74a).

Even in connection with the appearances of the respective turtle pins, the Court was inconsistent in its findings. On page 69a of the appendix, Judge Brieant stated, "The reptile depicted is not fanciful. He exists in nature." On page 70a of the appendix, the Court stated, "Of course, both turtles represent imaginative depictions and neither one conforms strictly to any species known in nature," and on page 72a-73a, the Court said "As we point out, *supra* p. 8, a turtle has at least ten vertebrae segments on the top of his carapace. In this regard each designed was merely representing nature."

The Court's thinking in dismissing the complaint is found in the following statement on page 73a of the opinion.

> "Plaintiff cannot appropriate the concept or idea of a jeweled turtle pin and exclude all others from

> the jewelry market. American consumers are entitled to preserve their age old right to have the benefit of the fact that there is nothing anyone can design or manufacture which someone else cannot make worse and sell for less."

The Court supposed that plaintiff was attempting to stop everyone from manufacturing jeweled turtle pins. This is not the case. Defendants as well as everyone else were at liberty to make and sell jeweled turtle pins, employing one stone (as defendants themselves did) or any other combination of stones on the back of a turtle pin so long as the overall appearance did not substantially resemble plaintiff's copyrighted design. Plaintiff's designer and plaintiff's officers spent considerable time, money and effort to create the design of the pin which was copyrighted and accepted by the trade and even the defendants themselves as original. Having received the Certificate of Copyright Registration, plaintiff, in the absence of proof that its copyright was invalid, had the exclusive right given to it by statute, Sect. 1, 17 U.S.C. and as interpreted by the Supreme Court in *Mazar* v. *Stein* 347 U.S. 201, 74 S. Ct. 460, "(a) To print, reprint, publish, copy and vend the copyrighted work;".

The Court in its opinion referred to the fact that turtles were found in nature and that perhaps designs of pins thereof, should not be considered as creative, or original.

In this connection, the attention of this Court is called to the case of *Peter Pan Fabrics Inc.* v. *Dan River Mills, Inc.*, 295 F. Supp. 1366 (S.D.N.Y.) aff'd 415 F. 2d 1007 (2 Cir. 1969) wherein the design involved was that of a daisy. There the Lower Court stated:

> "Plaintiffs do not argue that a daisy or any reproduction of it or its features is original. Their argument is that 'the juxtaposition of these flowers and

> their arrangement on the plain background * * * and the layout and combination of the separate features are copyrightably original' * * * 'plaintiff's assertion of originality is not called into question by defendants' affidavit which is directed to an entirely different and irrelevent question.' ''

When this case was called to the attention of Judge Brieant, on the argument of the motion he intimated that perhaps this Court felt differently inclined towards copyrights of fabrics.

POINT II

Defendants' pin infringes plaintiff's copyright.

On the issue of what constitutes infringement, plaintiff wishes to point out that its copyrighted pin (Exhibit A, p. 4 E.B.) and defendants' copy (Exhibit B, p. 5 E.B.) are substantially similar and the average purchaser of expensive jewelry would so find them. The essense of the designs consist of a cluster of precious gems on the back of a gold turtle. Where plaintiff used ten gems, the defendants did the same. Where plaintiff used diamonds, rubies, emeralds and sapphires, the defendants did likewise. Where the plaintiffs combined diamonds and rubies or diamonds and emeralds the defendants did the same. (See p. 2 E.B.). When the pins are placed side by side certain differences appear in the position of the head, tail and shape of feet. Then too, in order to produce a cheaper product, defendants made their turtle flatter. The overall appearance of the designs is the same. Defendants' all ruby pin (Ex. B.) sells for $195. retail (See Abercrombie & Fitch catalog, Ex. 4, p. 3 E.B.) plaintiff's all diamond pin for $2000. Is it reasonable to assume that a woman

purchasing these pins would be influenced by the shape of the feet, the twist of the tail and head or the cluster of gems which are the most expensive part of the pin?

This Court in *Peter Pan Fabrics Inc.* v. *Martin Weiner Corp.*, 274 F. 2d 487, 489, (1960) stated that it is the overall appearance which will determine the aesthetic appeal of the design, and that protection against infringement will not be denied "because of varients irrelevant to the purpose for which the design is intended." The defendants have changed a few insignificant details of the design, but the layout and overall appearance which is the esssential part of the design has not been changed.

In *Concord Fabrics Inc.* v. *Marcus Brothers Textile Corp.*, 409 F. 2d 1315, 1316, this Court reversed the denial of a preliminary injunction where the designs were not identical stating:

> "In sum a comparison of the samples strongly suggests that the defendant copied plaintiff's basic design making only minor changes in an effort to avoid the appearance of infringement."

In a more recent case, *Soptra Fabrics Corp.* v. *Stafford Knitting Mills, Inc.*, 490 F. 2d 1092, this Court in reversing the denial of a motion for a preliminary injunction by the District Court, stated:

> "in our view the designs are substantially similar, the differences ever so slight, the dissimilarities insubstantial."

the Court further adding, that the color schemes "were not to be overlooked", citing *Scarves by Vera, Inc.* v. *United Merchants and Manufacturers, Inc.*, 173 F. Supp. 625, 627 and *Couleur International Ltd.* v. *Opulent Fabrics Inc.*, 330 F. Supp. 152, 153 (S.D.N.Y. 1971), where the

appearance in one of defendant's fabrics of colors identical to plaintiff's was held to be "additional evidence of actual copying as well as another factor leading to the conclusion that the aesthetic appeal of the fabrics is the same".

The essence of the issue of infringement in the case at bar is well stated in Nimmer on Copyrights, Sect. 143.2 as follows:

> "It is entirely immaterial (in determining substantial similarity) that in many respects plaintiff's and defendant's works are dissimilar if in other respects similarity as to substantial elements of plaintiff's works can be shown.

While Judge Brieant in his decision referred to *Peter Pan Fabrics Inc.* v. *Martin Wiener Corp.*, 173 F. Supp. 292, aff'd 274 F. 2d 487 (2d Cir. 1960) and *Soptra Fabrics Corp.* v. *Stafford Knitting Mills, Inc.*, 365 F. Supp. 1199, rev'd 490 F. 2d 1092 2d Cir. 1974) as stating the test to be applied in determining infringement, he nevertheless disregarded them in arriving at his decision. More emphasis was placed on the construction of the defendants' pin, its thickness and depth than in its overall appearance. Whatever structural changes defendants made were for the purpose of producing a cheaper article to undersell plaintiff.

This Court has repeatedly said that the issue of infringement in copyright cases can be determined by it as well as the District Court. *Soptra Fabrics Corp.* v. *Stafford Knitting Mills, Inc., supra; Concord Fabrics Inc.* v. *Marcus Brothers Textile Corp., supra; Peter Pan Fabrics Inc.* v. *Dan River Mills Inc.*, 295 F. Supp. 1366, (S.D.N.Y. 1969) aff'd 415 F. 2d 1007 (2 Cir. 1969). This is the only issue to be passed upon by this Court. By applying the

test repeatedly followed by this Court, there appears to be substantial similarity between the two designs as an average purchaser would observe. There should be no doubt that the defendants in adopting the same cluster of stones on the back of a gold turtle and utilizing the same gems and combination of gems with only small differences in the structure of the turtle were guilty of copying all of the essential elements of plaintiff's design. The one stone turtle pin did not sell because the trade did not find that as pleasing as plaintiff's cluster of stones.

POINT III

The dismissal of the complaint should be reversed and summary judgment directed in favor of plaintiff.

Where the sole issue in the action is that of infringement, Courts have granted summary judgment in favor of the copyright owner. *Peter Pan Fabrics* v. *Dan River Mills, Inc., supra.* There Judge MacMahon granted summary judgment in favor of the plaintiff in a copyright suit where the only issue was that of infringement. This Court affirmed on the opinion below. In the present action, this Court finding the judgment below erroneous, should reverse the dismissal of the complaint and direct judgment in favor of the plaintiff and the matter should be remanded for an award of damages.

Respectfully submitted,

CHARLES SONNENREICH,
Attorney for Plaintiff-Appellant.

Due and timely service of ~~three~~ Two (3) copies of
the within Brief is hereby admitted this
1st day of August 1974

Pollack & Susel

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